

CREATIVE EFFECTIVENESS LIONS

Title: Farmed and Dangerous

Client: Chipotle Mexican Grill

Product: Chipotle Mexican Grill

- 1. If your entry was previously entered in the Creative Effectiveness category please provide a summary below that outlines key points from your previous submission, as the jury will not have access to past papers. (500 words max.)**

TBC

- 2. What were the objectives for the creative work?**

Please distinguish between Commercial (e.g. Shareholder value, Profit, Revenue, Sales, Share), Marketing (Penetration or Frequency) and Communications objectives (e.g. Awareness, Image, Attitudes, and Behaviour). Please aware that having all three will strengthen your entry.

Interim objectives

Farmed and Dangerous' (F&D) objectives were aligned with Chipotle's overall marketing objectives: to change the way people think about and eat fast food; to make them want to seek food made with higher quality, sustainably developed ingredients. Achieving this involves not only making consumers aware of the larger issues of industrial farming and food production, but also making them act accordingly.

In its restaurants, Chipotle serves food made from the very best ingredients, raised with respect for the animals, environment and farmers. Chipotle and Piro believe that the more consumers know about their food and where it comes from, the more likely they will be to choose a restaurant like Chipotle. A recent *New York Times* poll showed three-quarters of those surveyed expressed concern about GMOs in their food.¹

The campaign's target audience was people aged 14-44 who are socially aware and interested in issue-driven entertainment.

Sales objectives

Although the explicitly agreed campaign objectives were focused on changing consumer (and potential consumer) attitudes, the implicit end objectives were to increase affinity with existing Chipotle customers, and attract new customers to the brand, thereby increasing sales.

A final objective was creating a campaign that is partially "sustainable" in its own right, by generating

¹ http://www.nytimes.com/2013/07/28/science/strong-support-for-labeling-modified-foods.html?_r=3

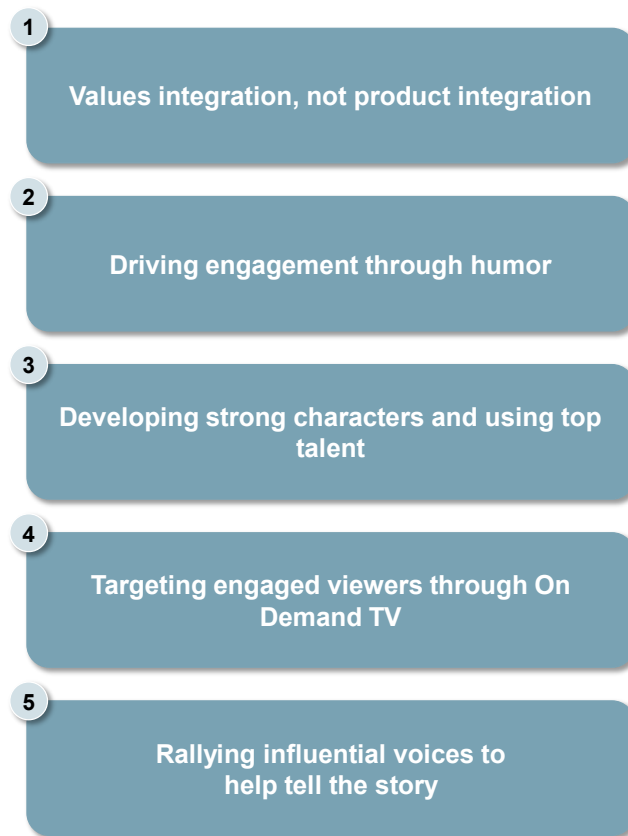
its own revenue, through selling advertising space and distribution rights, that could be used to offset costs.

3. What was the strategy behind the creative work?

Please be clear about the connection between the objectives, the brief and the final creative work.

F&D was based on a five-part creative strategy.

Figure 1: Five-part creative strategy



1. Values integration, not product integration:

F&D does not integrate Chipotle's products throughout the production – there are no burrito product placements. Rather, the campaign represents Chipotle's values: highlighting the importance of "Food With Integrity."

Through the subtitle, "A Chipotle original comedy series..." it is clear that Chipotle is behind the show but the emphasis is still that it is "...an original comedy series that explores the outrageously twisted and utterly unsustainable world of industrial agriculture."

2. *Driving engagement through humor:*

Our assessment of prior efforts to change the way people think about food highlighted a trend of seriousness and a tendency to be a bit scary (think *Food Inc.*). Almost as an antidote to these previous campaigns, our strategy was humor-driven. We planned to convey the serious facts with a "poke in the ribs" so the "medicine would go down a bit easier."

3. *Developing strong characters and using top talent:*

Strong characters were central to our strategy. During our first meeting with Chipotle, we asked, "who hates you guys?" "Industrial Agriculture", they said, without hesitation.

Having a central antagonist can be a critical component of great entertainment. And Chipotle gave us one in the first meeting. This led to the creation of Animoil and the head of the Industrial Food Image Bureau (that's I.F.I.B. to you), Buck Marshall.

We also had a strong focus on recruiting proven talent. In this way, our strategy was perhaps more akin to television (where there is often strong emphasis placed on using recognizable actors) rather than advertising (where there can be more of a willingness to use no-name actors). We were fortunate to have veteran character actor Ray Wise (Buck Marshall) from *Twin Peaks* and Oscar-nominated writer Jeremy Pikser (*Bullworth*) as part of the team.

4. *Targeting engaged viewers through on demand TV:*

Companies like Netflix, Hulu and Amazon have helped feed the consumer need for quality programming on-demand. The popularity of sophisticated streaming shows like "House of Cards" encouraged Chipotle to choose Hulu, a well-known on-demand platform that would accept long-form sponsor-created content in a censor-free environment.

5. *Rallying influential voices to help tell the story*

We knew we did not have the media budget to achieve the awareness we were aiming for. So we needed to be provocative enough for additional media to occur "organically" (excuse the pun).

Timing was also important. We gave key opinion leaders in sustainable food and the television industry advanced access to the series so that they could comment intelligently and promote the series on their social platforms.

4. What was the creative work?

Please detail the content, the media channels used, and the investment behind it. Explain why particular media were chosen and their specific roles in executing the strategy.

Content

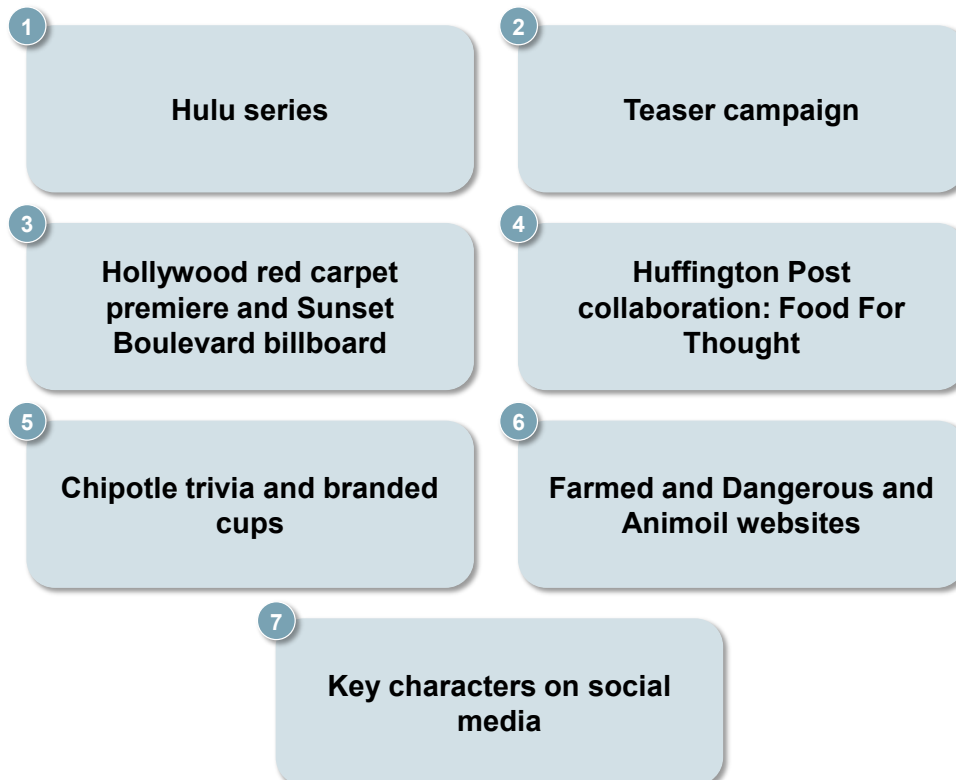
F&D is a satirical show about a group of people whose job it is to put a positive spin on the negative effects of industrialized farming. It features a breakthrough new product designed to reduce the energy required to raise livestock. The product is called PetroPellet®. It's oil (petroleum) that has been processed so it can be fed directly to livestock. Unfortunately, PetroPellet® has some unintended consequences, most notably that livestock tend to explode into balls of flames post consumption.

After an unfortunate cow explosion video at the PetroPellet® laboratory lands on the internet, Buck and his team are called into action to diffuse the fire storm.

Media Channels

F&D utilized seven key media channels.

Figure 2: Key media channels



1. *Hulu series:*

Hulu was the campaign's central media channel. Four 30 minute episodes premiered on the site over a four week period.

Figure 3: Series episodes



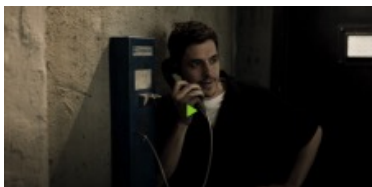
Oiling the Food Chain – February 17, 2014



Passing the Buck – February 24, 2014



Raising the Steaks – March 3, 2014



Ends Meat – March 10, 2014

1. *Teaser campaign:*

Chipotle released the show's trailer on YouTube and secured a *The New York Times* business section feature, timed to break with the company's news release. Chipotle's CMO Mark Crumpacker keynoted at the National Association of Television Program Executives (NATPE) Market & Conference in Miami that afternoon, which drove additional media attention.

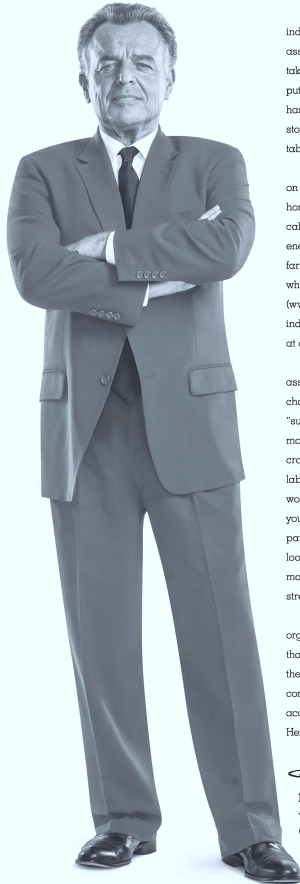
Buck also released a comedic full-page open letter in the *New York Times* ("Open Letter to Everyone with Mouths") where he made his absurd case for industrial agriculture. The letter also pushed readers to www.farmedanddangerous.com.

Figure 4: New York Times letter

THE NEW YORK TIMES, TUESDAY, JANUARY 28, 2014



An Open Letter to Everyone with Mouths



The "sustainability" crowd often criticizes my clients in industrial agriculture for failing to acknowledge the hidden costs associated with their heroic efforts to feed the world. I'd like to take this opportunity to set the record straight. In fact, let's just put a new record on because this "sustainable agriculture" tune has been playing long enough—and when that music suddenly stops, not only will you not find a chair, there won't be a dinner table either. Everyone will just stand around starving.

The public is concerned that our industry's dependence on fossil fuels and the overuse of antibiotics, synthetic growth hormones, herbicides, and pesticides is "unsustainable." So-called "experts" claim that it takes 25 calories of fossil fuel energy to produce just one calorie of meat on a typical industrial farm. Well, that's just absurd. It's less than half that amount when farmers feed their livestock PetroPellet® from Animall® (www.animall.com). Animall is just one example of the innovative industrial agribusinesses committed to "making food affordable at any cost."

Furthermore, if there really were "hidden costs" associated with industrial agriculture, wouldn't my clients charge you for them? And, if sustainable agriculture is so "sustainable," why are family farms disappearing at the rate of more than 300 per week? If we aren't careful, the sustainability crowd will regulate away our right to cheap food. Take GMO labeling for example. We all know labels are hurtful. What would you do if your child's elementary school teacher labeled your child "dumb"? You wouldn't stand for it, and neither did my parents. Putting labels on food is cruel and makes some foods look harmful even though they may not be. These labels will only make people worry, and our studies show that worry leads to stress, and that can be dangerous to your health.

While my clients are out there feeding the world, my organic adversaries are content feeding the one percent—and that just makes me ashamed to be part of the one percent. So the next time someone tries to warn you about where your food comes from, ask yourself whose side are they really on? Because according to our studies, they're not on yours. I'm Buck Marshall. Here to set the record straight.

Buck Marshall

Buck Marshall, CEO, IFLB
www.FarmedAndDangerous.com
@BuckMarshall

Buck then paid Larry King a visit, again, like the *New York Times* letter, blurring the lines between fiction and reality.

3. *Hollywood red carpet premiere and Sunset Boulevard billboard:*

We secured the attention of influencers and bloggers by inviting them to the show's red carpet premiere in Hollywood. This was supplemented by an influencer screening in New York and an online screening room.

Again, to capture the attention of the entertainment industry, we set up a promotional billboard on Sunset Boulevard in Los Angeles.

Figure 5: Sunset Boulevard billboard



Source: Dailybillboardblog.com

4. *Huffington Post Collaboration:*

On Huffington Post, we created “Food for Thought,”² a native advertising section that promoted *F&D* through interactive content. From subject matter interactive slide shows, to surveys and social content, “Food for Thought” allowed audiences to further engage with the content and characters.

5. *Chipotle trivia and branded cups:*

To drive restaurant traffic, we launched an integrated trivia contest where viewers could win Chipotle food prizes based on their knowledge of the show. And Chipotle's one million daily customers were handed *F&D* branded drink cups, a Chipotle first.

Figure 6: Branded cups



On Hulu, Buck Marshall would interrupt every episode to offer a chance to win free food by

² <http://www.huffingtonpost.com/news/food-for-thought/>

participating in a trivia contest via SMS.

3. *F&D and Animoil websites:*

Two main websites were created that hosted various interactive *F&D* content. On www.farmedanddangerous.com, we streamed the episodes, hosted a trivia contest and allowed audiences to interact with Buck Marshall through Twitter. On www.animoil.com (the fictitious "corporate website") we took audiences through a graphical summary of industrial agriculture.

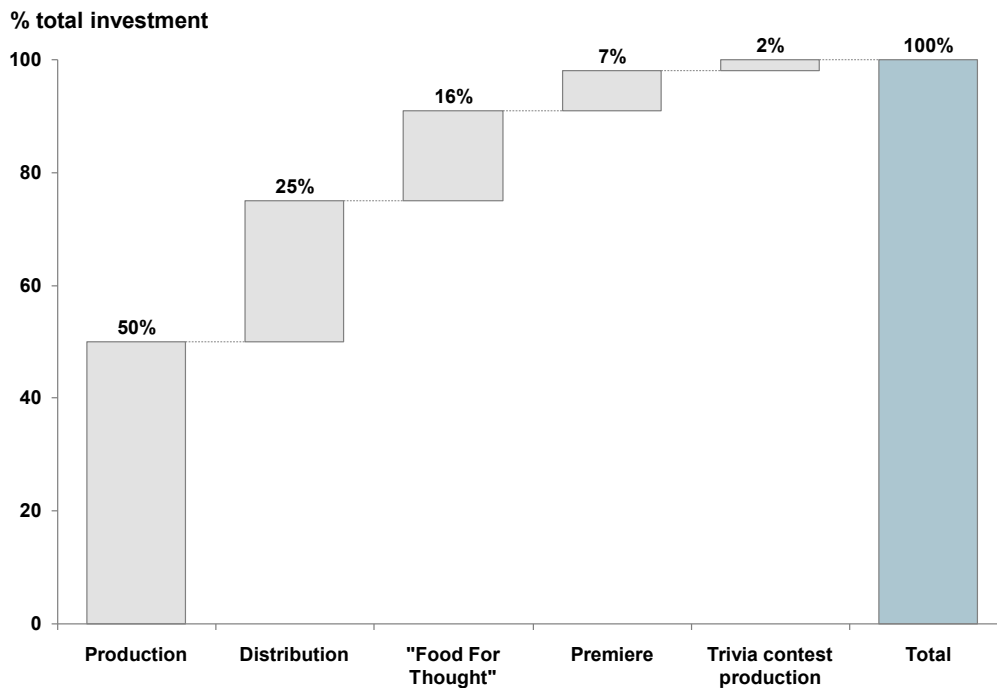
4. *Key characters on social media:*

The key characters were given a life outside the show through active accounts on social media.

Investment

For confidentiality reasons, the total investment figure cannot be disclosed. However, a percentage breakdown of the investment is provided below.

Figure 7: Percentage breakdown of investment³



Note: Investment budget excludes in store cups and food giveaways

³ Based on internal campaign budget. See Figure 13 for unsanitized data.

5. What effect did it have in the market?

Please explain what happened *after* the communications went live. Again, be aware of the difference between various types of effects on the business and the brand. Try to put as many spotlights as you can on how the communications has worked, this will strengthen your entry.

Interim effects

Hulu results:

F&D instantly became one of Hulu's most popular shows, in terms of viewership, engagement and approval.

F&D's pilot episode was one of the Top 5 long form videos viewed on Hulu on its premiere day, beating many high profile TV shows. In just two days, the first episode eclipsed campaign viewership estimates for the entire series. It went on to become the most-watched brand-created series during a premiere week in Hulu history.⁴

The post-wave viewer survey found that 93% of viewers watched at least one full episode (30 mins) in its entirety.⁵ By comparison, the Interactive Advertising Bureau's "2014 Original Digital Video study" shows that in 2013, the average time consumers spent watching "TV programs online" was nine minutes.⁶ The post-wave viewer survey also found that 89% of viewers watched more than one episode.

The show received high approval ratings from viewers (as of May 1, 2014 the series had 4.5/5 stars on Hulu and 8.1/10 on IMDB).⁷ In addition, the post-wave viewer survey found that the majority of viewers shared *F&D* with someone (of which 60% was via Facebook and 59% was in-person to a friend or family member).⁸

Most importantly, this popularity, engagement and approval resulted in *F&D* successfully changing the way people think about and eat fast food.

⁴ Statistics provided by Hulu management

⁵ Post-wave viewer survey is attached for reference

⁶ <http://www.iab.net/media/file/GfKIAB2014OriginalDigitalVideoReport.pdf>

⁷ <http://www.hulu.com/farmed-and-dangerous> and <http://www.imdb.com/title/tt2852872/> (as at May 1, 2014)

⁸ Post-wave viewer survey is attached for reference

Figure 8: Post-wave viewer survey results on changed viewer perceptions:

- **92%** of viewers believe that *Farmed and Dangerous* did an excellent or good job of **highlighting that large agricultural and food companies use unethical methods to produce their products**
- **89%** of viewers believe that *Farmed and Dangerous* did an excellent or good job of **convincing people to be suspicious of industrial agriculture**
- **88%** of viewers believe that *Farmed and Dangerous* did an excellent or good job of showing there is **inherent value in eating local and sustainable food**

Promotional results:

The trivia game had 84% conversion from consumers texting and completing trivia questions. 3 out of 4 participants finished the 3 trivia questions (77%) and 3 out of 4 answered all three correctly (75%). Episode reminders had an average open rate of 53% and a very high click through rate of 21%.

Media impressions:

The Larry King and *New York Times* features generated over 14M and 8M impressions respectively.

Coverage of the series generated more than 1 billion media impressions from more than 300 placements, sparking nearly universal positive conversation with top outlets across the entertainment, business, lifestyle, sustainability and food verticals including *USA Today*, "Good Morning America," *Entertainment Weekly*, *TIME*, *Variety*, *Fast Company*, *The New Yorker*, *Salon* and CNN "Eatocracy."

"Food For Thought" became the most successful social impact section in the history of The Huffington Post. Statistics include almost 50M total impressions and approximately 1M monthly unique visitors.

Social media impact:

Buck Marshall developed a strong following on Twitter. Celebrities like Alec Baldwin (who called Buck Marshall "A man that a Koch Brother could love"), Mark Ruffalo and Bill Cramer regularly engaged with Buck.

The following campaign impressions were delivered across key platforms:

- Twitter (managed by Chipotle): 134.1M
- YouTube: 6.2M
- Facebook: 2.7M
- Google search: 1.8M

All of these elements drove awareness, traffic and social interaction across the social media universe leading audiences throughout the campaign's active media spectrum.

Critical acclaim:

F&D received critical acclaim from a wide range of sources.

Figure 9: Summary of key critical acclaim

In addition, legendary television writer and producer Norman Lear described the campaign as "the



"the future of advertising"

"highlights several recent media industry trends, particularly the blurring between advertising and entertainment or news"

The New York Times

TIME

"one of the most ambitious steps so far in the evolution of product-oriented brands into media companies that create entertainment as well as ads"

"*Farmed and Dangerous* is both smart and wickedly funny, and it nearly always hits its mark"

FORTUNE



"The latest and greatest milestone in the fusion of television, advertising, and advocacy"

most brilliant f#@!ing thing I've seen in a long time."

Social impact

F&D was designed to not only change people's perceptions towards industrial agriculture but also to encourage them to take action based on these changed perceptions. But how successful was *F&D* at spurring action? The Participant Index answers exactly this question. It was developed in collaboration between Participant Media, the Bill & Melinda Gates Foundation and the University of Southern California's Annenberg School for Communication and Journalism.⁹

The index determines audience size for "issue-driven" films, documentaries, TV programs and other relevant media forms through a compilation of both raw audience numbers and traditional and social media activity. This is then combined with the results of a viewer survey on engagement levels (e.g., "did you boycott a company or product as a result of the campaign?") and emotional response to the campaign (e.g. "did the campaign change your life?")

F&D received a 97/100 overall Participant Index score, the highest of any form of media assessed by the index. It also received sub-scores of 99/100 for social actions and 94/100 for emotional involvement.

By contrast, the award-winning Egyptian political documentary about the 2011 Tahir Square revolution, *The Square*, provoked far less action than *F&D*, receiving a social actions score of 87/100 and an overall score of 92/100.

According to the Participant Index results, "Nearly 6 in 10 of those who watched *F&D* ... engaged in some kind of individual action."

Direct revenues

In line with campaign objectives, *F&D* successfully generated its own revenues through selling advertising and distribution rights to help offset campaign costs.

Ben & Jerry's, which shares Chipotle's eco-friendly philosophy, created an ad to appear only during episodes of *F&D*, bolstering the show's influence and proving like-minded brands could benefit from the content. In other words, the campaign successful sold ad space within its own promotion.

Due to confidentiality constraints we are unable to disclose revenue figures.

FAST COMPANY

Sales effects

Chipotle's comparable store revenues grew a staggering 16.8% in

⁹ <http://www.participantmedia.com/2014/03/participant-media-uscs-media-impact-project-collaborate-measure-social-impact-entertainment>

2014¹⁰ or \$539M¹¹. These are very strong results compared to Chipotle's equivalent 2013 increase of 5.6% and the industry's projected 2014 growth rate of 4.4%.¹²

6. Please explain if there were any other factors that may have impacted on the effectiveness of your campaign. E.g. sales, promotions or events that occurred during the campaign period and that would have influenced the results.

You may use econometrics, tests, extrapolation and/or simply explain why communications were significant to the brand's success and illustrate other key factors via charting/tables etc.

We utilized the triangulation of both a top down and a bottom up campaign sales impact assessment to develop an estimated sales impact range that can be associated with *F&D*.

For confidentiality reasons we are unable to publically disclose these calculations. However, a full summary is included in the confidential section.

7. What was the commercial gain for your Client as result of running the creative work?

Entries will benefit from the ability to isolate a return on marketing investment, not just a picture of sales growth or changes in brand measures. Please try to demonstrate Revenue and Profit ROMIs and commercial payback from the communications. If your communications are for Charity or Government clients, then please explain the impact they had, e.g. key message penetration, changes to consumer behaviour.

It is estimated that *F&D* generated a Sales Return On Investment of 629-883%.¹³

For confidentiality reasons we are unable to publically disclose these calculations. However, a full summary is included in the confidential section.

Figure 10: ROI calculation (sanitized for confidentiality reasons)¹⁴

¹⁰ <http://ir.chipotle.com/phoenix.zhtml?c=194775&p=irol-newsArticle&ID=2013178>

¹¹ As Chipotle do not provide a comparable sales dollar figure, \$539M was calculated by multiplying Chipotle's 16.8% 2014 comparable sales by \$3.21B 2013 total sales

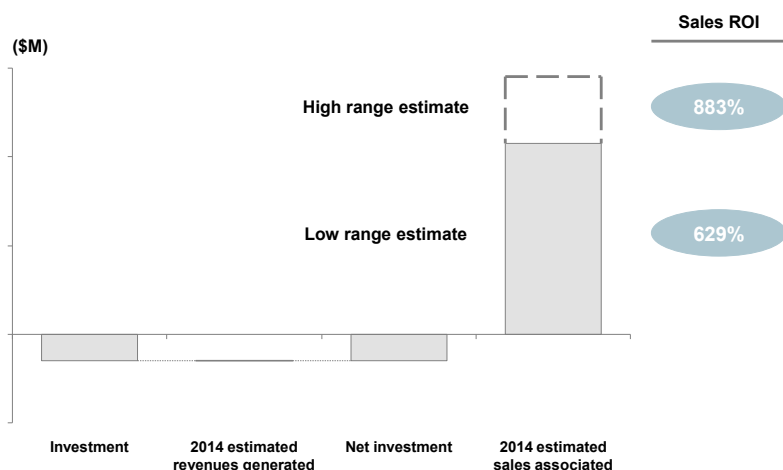
¹² <https://www.restaurant.org/Downloads/PDFs/News-Research/research/2014Forecast-ExecSummary.pdf> (2014 limited-service growth forecast)

¹³ See confidential section for full calculations

¹⁴ See confidential section for full calculations

Calculation methodology

$$\text{Sales ROI} = \frac{(\text{Associated Sales} - \text{Investment Cost})}{(\text{Investment Cost})} \times 100$$



8. What do you think this case adds to our understanding of how creativity can be effective? What are the learnings for the sector your brand operates in? Are there learnings for the industry as a whole? The learnings do not have to be new learnings. E.g. they could be a reminder of how various media can work.

This case is a great example of the power of values-based marketing. Every organization has (or at least should have) a set of values. Centering creative efforts on these values gives everyone, from the production team to the audience, a very strong sense of purpose. If it's a values-based campaign fighting for an important social issue, even better, because your audience will be a very willing source of amplification, thereby leading to greater effectiveness.

But in order to receive this audience support, you must think very practically about how best to support your audience in their engagement. This was a large part *F&D's* approach. We put considerable focus on arming our audience with information (e.g., 'Food For Thought') so they could continue to learn about the issue and share with their network. Giving key opinion leaders advanced content was another important way we provided this support.

Finally, this case demonstrates that advertising can learn a lot from television in terms of the overall creative approach. Through the trailer and premiere screening, *F&D* in essence had a marketing campaign for a marketing campaign, leveraging much of the television industry's method. In addition, there was larger focus placed on strong characters and proven talent than perhaps a typical advertising campaign. All of these creative approaches contributed substantially to the campaign's overall effectiveness.

Entry Composition

Please list the different media used throughout and after your campaign (up to 6 March 2015) with an indication of the period. All parts of the campaign may be considered during judging.

| Type of Media | Date of Implementation | Budget / Media Spend | Percentage of overall budget |
|--|------------------------|----------------------|------------------------------|
| Four part Hulu TV series | February-March 2014 | Confidential | 50% |
| Campaign distribution (including NY Times ad, F&D and Animoil websites etc.) | January-March 2014 | Confidential | 25% |
| Huffington Post collaboration, "Food for Thought" | October 2013 onwards | Confidential | 16% |
| Series premiere | 11 February 2014 | Confidential | 7% |
| Trivia contest | February-March 2014 | Confidential | 2% |
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